

Revised Date: June 22, 2026	Effective Date: July 1, 2026
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WHEREAS the purpose and objectives of the Saskatchewan Milk Marketing Board include matters set out in s. 5 of *The Milk Marketing Plan Regulations (Plan)*;

AND WHEREAS the Board has the power to do those things set out in ss. 7 and 20 of the *Plan*;

AND WHEREAS s. 7(y) establishes that the Board may control, regulate, or control and regulate the quantity of milk that may be produced and marketed by any person at any time, and all or any manner of distributing milk, and s. 20.8 establishes that the Board determines the terms and conditions of any quota transfer;

AND WHEREAS ss. 7(z), (aa), (ee), (ff) establish that the Board has the power to prohibit the production or marketing of milk, to regulate the time and place and the legal entity through which milk is to be marketed, to require any persons engaged in the production or marketing of milk to obtain licenses and provide guarantees, and to issue, categorize, and charge fees for such licenses;

AND WHEREAS the Board has determined it is in the best interests of the dairy industry in Saskatchewan to develop policy respecting these things;

THE SASKATCHEWAN MILK MARKETING BOARD, pursuant to the provisions of *The Milk Marketing Plan Regulations* and *The Agri-Food Act, 2004* hereby determines as follows:

1. Purpose

This policy outlines the mechanisms available to licensed producers to transfer owned quota.

2. Definitions

For the purposes of this policy, the following definitions apply:

- a. **"Complete Dairy Unit"** has the same meaning as set out in the *Definitions Board Order*, as amended from time to time.
- b. **"Complete Exit"** means the divestiture of quota resulting in the cessation of milk shipments.
- c. **"Complete Exit Transfer"** means the transfer of all owned quota by a licensed producer making a Complete Exit, in accordance with the requirements of this Policy.

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- d. **“Daily Quota”** means quota in kilograms of butterfat allocated to a producer by the Board, per day;
- e. **“Grant Quota”** means quota granted by the Board directly to a producer that forms part of the producer’s daily quota but is not owned by the producer. Grant quota shall not be sold, assigned, or otherwise transferred;
- f. **“Immediate Family”** has the same meaning as set out in the *Definitions* Board Order, as amended from time to time.
- g. **“Immediate Family Transfer”** means a private transfer of owned quota by a licensed producer to a member of their Immediate Family, in accordance with the requirements of this Policy.
- h. **“Leased Quota”** means quota that is leased from one producer to another producer in accordance with the *Quota* Board Order, as amended from time to time;
- i. **“Owned Quota”** means quota that may be sold, leased, or otherwise transferred by a licensed producer in accordance with the *Plan*, Board Orders, and Board Policies.
- j. **“Private Transfer”** means the transfer of Owned Quota directly between licensed producers by means of an Immediate Family Transfer or a Complete Exit Transfer, and excludes transfers conducted through the Quota Exchange.
- k. **“Total Quota”** has the same meaning as set out in the *Definitions* Board Order, as amended from time to time.

3. Private Transfers

Licensed producers may transfer owned quota through the following private transfer mechanisms:

- Immediate Family Transfer
- Complete Exit Transfer

3.1. General Private Transfer Requirements

The requirements in this section apply to all private transfers, including Immediate Family Transfers and Complete Exit Transfers, unless otherwise specified.

a. Application Deadline and Effective Date

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Private Transfer Applications must be submitted to SaskMilk no later than midnight on the 6th day of the month to be eligible for an effective date of the first day of the month following approval. SaskMilk may, at its discretion, establish an effective date on the first day of a later month.

b. Security Interest Requirements

A Private Transfer Application must include one or both of the following, as applicable:

- i. Confirmation that all security interests registered against the quota being transferred will be discharged upon satisfaction of any related conditions; and/or
- ii. Written consent to the transfer from each secured party holding a security interest in the quota being transferred.

c. Approval Requirements

SaskMilk may approve a private transfer where it is satisfied that:

- i. the application has been submitted in accordance with this Policy;
- ii. the proposed receiver(s) hold a valid Board-issued Facility Licence;
- iii. the proposed receiver(s) hold a valid Board-issued Production Licence;
- iv. the parties have demonstrated compliance with the Legislative Requirements and all applicable Board Orders, Board Policies, and any directions of the Board;
- v. the proposed transfer will not result in non-compliance with the Plan, Board Orders, Board Policies, applicable legislation, contractual obligations, or other governing requirements;
- vi. the proposed transfer will not result in the receiver(s) exceeding the quota holding limit established under the *Quota Limits Order*, as amended from time to time;
- vii. all Personal Property Registry search requirements have been satisfied;
- viii. for transfers involving a monetary transaction, SaskMilk has received:
 - written confirmation from legal counsel for both of the parties that all conditions of the transfer have been satisfied; and

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- written confirmation from the seller's legal counsel that the purchase funds have been received in trust and are available for release to the seller,

unless SaskMilk determines that either requirement is not applicable to the transaction;

- ix. for transfers not involving a monetary transaction, SaskMilk has received written confirmation, duly executed by the parties, that all conditions of the transfer have been satisfied and that legal representation has been waived; and
- x. any additional conditions imposed by SaskMilk in relation to the transfer, whether monetary or non-monetary in nature, have been satisfied.

d. Transfer Effective Date

Upon approval of a private transfer, SaskMilk shall establish the effective date of the transfer.

3.2. Immediate Family Transfer

- a. A licensed producer may apply to transfer owned quota to an immediate family member.
- b. Immediate Family Transfers are subject to the General Private Transfer Requirements set out in section 3.1.
- c. The transferring producer remains responsible for meeting their daily quota obligations until the effective date of the transfer.

3.3. Complete Exit Transfer

A Complete Exit Transfer may be used where a licensed producer transfers all owned quota and permanently ceases milk shipments. A Complete Exit Transfer may occur independently of the sale of a complete dairy unit or as part of the sale of a complete dairy unit, where applicable.

- a. Complete Exit Transfers are subject to the General Private Transfer Requirements set out in section 3.1, except as modified or supplemented by this section.
- b. SaskMilk may approve a Complete Exit Transfer where all of the following requirements are met:
 - i. all owned quota, with exception of 10% as set out in section 3.3.b.iii, is transferred to one or more licensed producers;

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- ii. where quota is transferred to more than one licensed producer, all transfers must have the same effective date;
- iii. a minimum of ten (10) percent of the producer's owned quota must be sold through the Quota Exchange. Any owned quota sold through the Quota Exchange within the six (6) months immediately preceding the effective date of the Complete Exit Transfer may be applied toward satisfying this requirement;
- iv. where the ten (10) percent Quota Exchange requirement has not been satisfied by the effective date of the Complete Exit Transfer, the remaining amount required to satisfy the requirement must be listed on the Quota Exchange within three (3) months following the effective date. Any portion remaining unsold after that period shall be relisted by SaskMilk in subsequent Quota Exchanges at ninety (90) percent of the previously established market clearing price until sold; and
- v. any portion of the required ten (10) percent of owned quota not sold through the Quota Exchange by the effective date of the Complete Exit Transfer must be leased to another licensed producer effective on that same date and must remain leased until sold through the Quota Exchange. For greater clarity, the effective date of the lease must be the same as the effective date of the Complete Exit Transfer.